



Youssef A Nasr
President and Chief Executive Officer

May 5, 2003

The Honorable William M. Thomas
Chairman
Committee on Ways and Means
U.S. House of Representatives
2208 Rayburn House Office Building
Washington, DC 20515-0521

Dear Mr. Chairman:

I was extremely pleased to learn that your soon to be released international tax bill will contain the changes outlined by your staff this past Thursday.

Your appreciation of the fact that the worldwide ratio (as well as certain safe harbor proposals) would not work for financial institutions (due to the unique role of leverage in their business) and your willingness to adjust your legislation accordingly is gratifying. On behalf of HSBC Bank USA, I enthusiastically support this modified legislation.

We at the Bank look forward to reviewing your bill, once it is introduced, and hope to have the opportunity to work with you and your staff as it progresses through the legislative process.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "Youssef A. Nasr", written in a cursive style.